

Article - Insurance

[\[Previous\]](#)[\[Next\]](#)

§16–509.

(a) Any paid-up annuity, cash surrender, or death benefits available at any time other than on a contract anniversary under an annuity contract with fixed scheduled considerations shall be calculated with an allowance for the lapse of time and the payment of any scheduled considerations after the start of the contract year in which payment of considerations stops.

(b) (1) This subsection applies only to an annuity contract that provides by rider or supplemental contract provision both annuity benefits and life insurance benefits that exceed the greater of:

- (i) the cash surrender benefits; or
- (ii) a return of the gross considerations with interest.

(2) The minimum nonforfeiture benefits shall:

(i) be calculated separately as if the annuity benefits and life insurance benefits were provided under separate contracts; and

(ii) equal the sum of:

- 1. the minimum nonforfeiture benefits for the annuity part of the contract; and
- 2. the minimum nonforfeiture benefits for the life insurance part of the contract.

(c) Notwithstanding this section and §§ 16-505 through 16-508 of this subtitle, the following supplemental benefits and considerations for the benefits shall be disregarded when calculating the minimum nonforfeiture amounts, paid-up annuity, cash surrender, and death benefits required under this subtitle:

- (1) benefits payable for total and permanent disability;
- (2) benefits payable as reversionary annuity or deferred reversionary annuity benefits; or

(3) other policy benefits additional to life insurance, endowment, and annuity benefits.

(d) Additional benefits under subsection (c) of this section need not be included in any paid-up benefits unless the additional benefits separately would require minimum nonforfeiture amounts, paid-up annuity, cash surrender, and death benefits.

[\[Previous\]](#)[\[Next\]](#)